

**CITY COUNCIL**  
**121 N. Church Street, Hudson, MI**  
**PUBLIC HEARING**  
**June 16, 2015 at 7:00 p.m.**

**745944:**

The public hearing was called to order by Mayor Carmel Camp at 7:00 p.m. in the Council Chambers.

ROLL CALL: PRESENT: Carmel Camp, Namrata Carolan, Lee Ann Minton, Lee Daugherty, Rick Moreno, and Carl Sword

ABSENT: Tyler Mattison

ALSO PRESENT: WWTP Superintendent Ted Hutchison, Police Chief Charlie Weir, Joann Crater – Hudson Carnegie District Library, Brian Crater, Dan Cherry, City Manager Steven Hartsel and City Clerk Jeaniene McClellan.

**ORDERS OF THE DAY:****Water and Sewer Rate:**

No Comments received.

*Adjourn Sine Die*

**ADJOURN SINE DIE:**

**CITY COUNCIL**  
**121 N CHURCH STREET, HUDSON, MI**  
**REGULAR MEETING**  
**June 16, 2015 (Immediately Following Public Hearing)**

**745945:**

The regular meeting was called to order by Mayor Carmel Camp at 7:01 p.m. in the Council Chambers.

ROLL CALL: PRESENT: Carmel Camp, Namrata Carolan, Lee Ann Minton, Lee Daugherty, Rick Moreno, and Carl Sword

ABSENT: Tyler Mattison

ALSO PRESENT: WWTP Superintendent Ted Hutchison, Police Chief Charlie Weir, Joann Crater – Hudson Carnegie District Library, Brian Crater, Dan Cherry, City Manager Steve Hartsel and City Clerk Jeaniene McClellan.

**ORDERS OF THE DAY:****Excuse Absent Members:****745946:**

Motion by Namrata Carolan, seconded by Lee Daugherty to **excuse Councilmember Mattison from the meeting**, DENIED: 1-5 by roll call vote. (Carolan – yes, Camp, Daugherty, Minton, Moreno, Sword – no)

**Approval of Minutes:****745947:**

Motion by Namrata Carolan, seconded by Rick Moreno to **approve the minutes of June 02, 2015 and place on file**, CARRIED: 6-0 by roll call vote.

**PUBLIC COMMENT:**

Joann Crater – Hudson Carnegie District Library’s Director – Updated Council had the progress being made at the Library with a new website and being on-line live. [www.hudsoncdl.org](http://www.hudsoncdl.org)

**CORRESPONDENCE:****Fleis & VandenBrink S2 Grant & SRF Project Plan Status****Lenawee County ORV Ordinance****NEW BUSINESS:****APPROVE: Purchase Offer for Industrial Park Lot 15**

Luke Paschal, the Owner of Paschal Burial Vault and Crematory, has submitted a written offer to the City to purchase 5.003 acres at the Industrial Park, commonly known as Lot 15, for a sum of \$15,000.00. The company intends to relocate and expand their existing Hudson-based business at the site, in multiple stages beginning this year. The company’s activities meet the constraints of the Industrial Park Covenants.

If Council approves the purchase offer, the City Attorney will be asked to draft a purchase agreement to complete the sale. Steven Hartsel has recommended placing the proceeds of the sale in the Industrial Park Maintenance Fund.

**745948:**

Motion by Lee Ann Minton, seconded by Namrata Carolan to **approve the Purchase Offer by Paschal Burial Vault and Crematory for 5.003 acres within the Industrial Park also known as Lot 15, for the amount of \$15,000.00, and authorize the City Manager to sign the purchase agreement for this sale**, CARRIED 6-0 by roll call vote.

**APPROVE: FY 15/16 Budgeted Transfers**

City Treasurer and City Manager is requesting Council approval to complete fiscal year-end transfers in order to properly close-out the financial year.

-Authorize budgeted transfer from Major Streets in the amount of \$30,500.00

-Authorize budgeted transfers from the Income Tax fund in the amount of \$432,453.00

-Authorize budgeted transfers from the General Fund to other City departments to balance their department expenses in the amount of \$36,803.00

**745949:**

Motion by Namrata Carolan, seconded by Carl Sword to **authorize the budgeted transfers in the amount of \$30,500 from Major Streets, \$432,453 from Income Tax and \$36,803 from General Funds for the fiscal year ending June 30, 2015**, CARRIED 6-0 by roll call vote.

**APPROVE: Water and Sewer Rate Resolution**

The City currently charges a water usage fee of \$2.25 per unit/1,000 gallons in the City, and \$4.50 per unit/1,000 gallons out of the City. Sewer usage rates are \$3.60 per unit/1,000 gallons in the City, and \$7.20 per unit/1,000 gallons outside the City. Revenue has been short of expenses for a few years. The last water rate increase became effective 5 years ago on July 1, 2010, and sewer rates have not changed since at least 2008. The City Auditor has advised us to adjust the rates upwards to avoid shortfalls. The shortfalls over the past several years are as follows:

- In 2009, at the previous water rate, the City had a loss of \$104,948.57.
- The City increased water rates on July 1, 2010, which reduced the loss to \$75,721.59.
- In 2011, the first complete year under the current rates, the loss narrowed to \$14,935.00.
- In 2014, the loss widened to \$41,690.00.
- We estimate that this fiscal year's shortfall will be \$34,185.00.

City Manager has recommended a water usage rate increase of .50 per unit/1,000 gallons (City) to \$2.75 and 1.00 per unit unit/1,000 gallons (out of City) to \$5.50, and a sewer usage rate increase of .90 per unit/1,000 gallons (City) to \$4.50 and \$1.80 per unit/1,000 gallons (out of City) to \$9.00, effective July 1, 2015, to appear on the October 1, 2015 utility bill. The City estimated that this increase would generate \$83,288.00 in revenue, and offset the shortfalls of the last few years. The attached Resolution sets the new rates, which were programmed into the upcoming fiscal year budget.

**745950:**

Motion by Lee Ann Minton, seconded by Namrata Carolan to **approve the Resolution setting a new water usage rate per 1,000-gallon units at \$2.75 in the City, and \$5.50 outside the City, and new sewer usage rate per 1,000-gallon units of \$4.50 in the City, and \$9.00 outside the City, effective July 1, 2015, CARRIED 6-0 by roll call vote.**

**AUTHORIZE: Seek Request For Qualifications for City Assessing Services**

The current contract with Wolverine State Assessing expired 3 years ago. This work is performed for the City as Contract Services, which should require periodically seeking Requests for Qualifications (similar to seeking bids) before awarding a contract. City Manager, Steven Hartsel has not been able to find a record of any RFQ's being solicited.

City Manager recommends that the City issue a Request for Qualifications for City Assessor Services, and then subsequently consider the responses prior to awarding a new Assessor contract. Presumably, our current Assessor will also submit an RFQ to be considered for the contract.

**745951:**

Motion by Namrata Carolan, seconded by Carl Sword to **authorize the issuance of a Request for Qualifications for City Assessor Services, CARRIED 6-0 by roll call vote**

**APPROVE: City Manager Contract Renewal**

The City Manger's current employment agreement with the City of Hudson expires September 30<sup>th</sup>, although the contract also states that the agreement automatically renews every year unless one party notifies the other to the contrary 90 days in advance. There have been a number of contradictory provisions such as this in the previous two Manager Contracts. In consultation with the City Attorney, City Manager has drawn up the next contract without these contradictions, as well as to address some other items, such as having annual budgeted raises for the other City employees also apply to him; removing employment restrictions which prevent him from doing any other paid work in his spare time, such as writing; and adding the option to replace the provision with a car with a car allowance.

The City Manager is requesting Council to approve the Manager contract prior to the start of the fiscal year, instead of 3 months later, in order to budget more efficiently.

**745952:**

Motion by Lee Ann Minton, seconded by Namrata Carolan to **approve the City Manager new employment contract**, CARRIED 6-0 by roll call vote

**Executive Session: OMA Section 8 (c) DPW Union Negotiations:**

Per Section 8 (c) of the OMA, Council entered into Closed Session for the purpose of discussing and continuing contract negotiations regarding the Department of Public Works union contract.

**745953:**

Motion by Lee Ann Minton, seconded by Namrata Carolan to **enter into Closed Session pursuant to OMA Section 8 (c) for strategy and negotiations regarding the Department of Public Works Union Contract**, CARRIED 6-0 by roll call vote.

\*\* Entered executive session at 7:38 p.m.

\*\* Returned to open session at 7:55 p.m.

The overall consensus is to continue with the negotiations.

**UNFINISHED BUSINESS:**

**Bills:**

**Bills to be Approved for Payment: \$14,027.72**

Consumers Energy	\$ 3,609.19	May 2015 Street Lights Electricity
Fleis & VandenBrink	\$ 5,795.64	May 2015 SRF Project Plan Work
Fleis & VandenBrink	\$ 4,622.89	May 2015 Bridge Improvement Work

**No Bills to be Confirmed:**

**745954:**

Motion by Rick Moreno, seconded by Carl Sword to **approve to pay the bills**, CARRIED: 6-0 by roll call vote

**Department Head Reports for May 2015:**

**745955:**

Motion by Namrata Carolan, seconded by Rick Moreno to **accept the Department Head Reports for May 2015, and place on file**, CARRIED: 6-0 by roll call vote

**Accounts Payable Report for May 2015:**

**745956:**

Motion by Namrata Carolan, seconded by Carl Sword to **accept the Accounts Payable Report for May 2015, and place on file**, CARRIED: 6-0 by roll call vote

\*\*\*\* Rick Moreno leaves the meeting at 7:58 p.m. \*\*\*\*

**CITY MANAGER’S REPORT:**

- Rental Rehab took a big step forward this week. Apartment construction work is now in progress at 212, 226 and 314 W. Main. Appliances have been delivered to 314, flooring and cabinets are in progress at 212, and some minor revisions have been agreed to at 226, which should allow work to proceed later this week. The plans have been completed for 225, which accentuate the “Arcade” architecture and layout of the building, the only like it in the County.
- The Community Garden is starting well this year, with Carl Sword serving as “Gardenmaster.” DPW has placed a hydrant on-site, and water is available. Goodwill is farming 2 of the plots, with the plan being to provide produce to the Hudson Food Pantry.
- Engle Trail Paving is being held up by moisture under the base of the path. Concord Excavating expects improvement in the near future, with paving to occur once the Engineers receive good data.
- HPD will begin trials with one variety of body camera this week. The camera allows a first-person record of the officer’s activity even when away from the patrol vehicle.
- The Bicycling Tour known as Pedal Across Lower Michigan will be passing through Hudson on June 24<sup>th</sup> and 25<sup>th</sup>. 725 bicyclists are signed up to participate. They will begin arriving during late morning on Wednesday, and will be staying overnight at the High School before departing to the East mid-morning on Thursday. Event coordinators are working with the City, Hudson Area Schools, the Chamber of Commerce and other local businesses to make the visit successful.

**ADJOURNMENT:**

**745957:**

Motion by Lee Ann Minton, seconded by Carl Sword to **adjourn the meeting at 8:05 p.m.**

APPROVED: \_\_\_\_\_  
Carmel Camp, Mayor

ATTEST: \_\_\_\_\_  
Jeaniene McClellan, City Clerk

REVIEWED BY: \_\_\_\_\_  
Denis F. Jodis, City Attorney  
Dated: \_\_\_\_\_